DOCUMENT RESUME

ED 312 483 CE 053 626

AUTHOR Bell, Brenda L.
TITLE State Job Training Coordinating Council Roles and Options.
INSTITUTION National Alliance of Business, Inc., Washington, D.C.
SPONS AGENCY Department of Labor, Washington, D.C.; National Commission for Employment Policy (DOL), Washington, D.C.
REPORT NO ISBN-0-88713-818-7
PUB DATE Oct 89
NOTE 42p.; For a related document, see ED 239 022.
AVAILABLE FROM National Alliance of Business, 1201 New York Avenue, NW, Washington, DC 20005 ($5.00).
PUB TYPE Guides - Non-Classroom Use (055)

EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS *Advisory Committees; Educational Policy; *Employment Programs; *Job Training; Labor Force Development; *State Federal Aid; State Programs; Vocational Adjustment; Work Experience Programs
IDENTIFIERS Carl D Perkins Vocational Education Act 1984; Economic Dislocation Worker Adjust Assist Act 1988; Family Support Act 1988; *Job Training Partnership Act 1982; *State Job Training Coordinating Councils; Wagner Peyser Act

ABSTRACT

A companion to a previous publication called "Private Industry Council Roles and Options," this document is intended to help State Job Training Coordinating Council members and other interested parties better understand the scope and significance of the councils' mission. It provides basic information on the mission, roles, functions, and organization of the councils. Part 1 addresses the purpose of the state councils; their evolution since the 1982 passage of the Job Training Partnership Act (JTPA) that created them; their organization; and their functions. Part 2 discusses the councils' responsibilities under the following legislation: (1) the JTPA amendments to the Wagner-Peyser Act governing the coordination of activities between JTPA and the public employment service; (2) the Carl D. Perkins Vocational Education Act of 1984; (3) the Job Opportunity and Basic Skills Training Program of the Family Support Act of 1988; and (4) the Economic Dislocation and Worker Adjustment Assistance Act of 1988. Part 3 addresses issues and options for developing comprehensive state work force investment strategies. The document concludes with a summary, a 14-item bibliography, and an appendix that contains the names and addresses of National Alliance of Business contacts for information and technical assistance. (CML)

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STATE JOB TRAINING

COORDINATING COUNCIL

ROLES AND OPTIONS

National Alliance of Business
Washington, DC
October, 1989

Brenda L. Bell, Manager of Training and Consulting Services at NAB is the principal author of this report. Tom Lindsley, Vice President of Congressional Affairs for NAB, David Bedford of the National Governor's Association and Elaine Brady of the National Commission for Employment Policy provided editorial support and guidance.

The research and development of this report was financed with funds from the U.S. Department of Labor and the National Commission for Employment Policy. The conclusions and recommendations in this report are solely those of the National Alliance of Business and do not necessarily reflect the views of the funding organizations.

Copies of this guide may be obtained by writing or calling the NAB Clearinghouse, 1201 New York Ave., N.W., Washington, DC 20005
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ISBN: 0-88713-818-7

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FOREWORD

State Job Training Coordinating Councils were formed under the Job Training Partnership Act of 1982 to assist governors in planning, overseeing and coordinating state employment and training programs. The initial focus of the Councils was on federally funded employment and training activities. This focus also included the Employment Service, the Work Incentive Program and the Carl Perkins Vocational Education Act. The Councils represented a new public/private partnership experiment to reduce duplication and fragmentation of employment and training activities at the state and local levels.

In 1988, Congress amended Title III of the Job Training Partnership Act and restructured State Job Training Coordinating Councils. It altered the composition to include more labor and worker representatives and public sector members. State Job Training Coordinating Councils were given broad responsibilities for implementing the new federal dislocated worker program. Also that year, Congress passed the Family Support Act which included a significant role for State Job Training Coordinating Councils in the implementation of the Job Opportunity and Basic Skills Training Program for welfare reform.

This paper is a companion to a previous Alliance publication, "Private Industry Council Roles and Options." Like the Private Industry Councils, State Job Training Coordinating Councils can perform a wide variety of roles that touch on and affect an increasing number of constituent groups and programs. We have attempted here to cover all of the major roles assigned to State Job Training Coordinating Councils and to outline several alternative options in fulfulling these roles. The purpose of the paper is to help State Council members and other interested parties better understand the scope and significance of the State Job Training Coordinating Council mission.

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INTRODUCTION

This paper provides basic information on the mission, roles, functions and organization of State Job Training Coordinating Councils (hereafter referred to as State Councils). It discusses the intent of Congress in developing State Councils, and assesses State Councils' impact on the development of a coherent, coordinated employment and training system in the states. Topics covered include:

- the history and evolution of State Councils;
- organization of State Councils;
- State Council strategic planning and management functions; and
- alternative roles and options for State Councils.

Several federal programs include specific roles for State Councils. Federally funded programs reviewed here include:

- the Job Training Partnership Act of 1982 (JTPA);
- the Carl D. Perkins Vocational Education Act of 1984;
- the Wagner-Peyser Act of 1933;
- the Economic Dislocation and Worker Adjustment Assistance Act of 1988 (EDWAA); and
- the Job Opportunity and Basic Skills (JOBS) Training Program of the Family Support Act of 1988.

These federal programs are discussed within the scope of:

- the relevant language or intent of the law;
- specific State Council functions; and
- role and options for State Councils in coordinating program activities.

PART ONE

BACKGROUND AND PURPOSE OF THE STATE COUNCILS

State Job Training Coordinating Councils (State Councils) represent the latest in over a quarter of a century of policy approaches undertaken by the federal government to coordinate national employment programs. These efforts ranged from programs operated with highly centralized federal controls to highly decentralized municipally controlled systems. One of the issues most widely discussed throughout the course of Congressional debate on the initial Job Training Partnership Act legislation was an increased role for states in the employment and training system.

The outcome of that debate was a strengthened role for governors and State Councils in overseeing federally funded employment and training programs.

Two goals were served by the creation of State Councils:

- First, Congress established a new experimental structure for the development of employment and training policy at the state level.

- Second, it established a public/private overseer to guide the development of state and local program coordination.

Congress clarified its intent regarding the important purpose it expected State Councils to serve by taking a unique step in the JTPA legislation. It authorized governors to consolidate other federal program advisory committees and to transfer functions among or combine federally funded agencies administering job training programs under the aegis of the State Councils. State Councils were designed to be broadly representative of the many important public and private sector groups which affect the progress of employment and training efforts in each state.

Building a Comprehensive Workforce Development Strategy

The legislation creating State Councils gives them specific authority to "provide management guidance and review for *all* employment and training programs in the states." This broad mission goes beyond specific (e.g., disadvantaged) target groups and populations and forms the basis on which states can begin to fashion comprehensive workforce development strategies and programs.

Workforce development strategies that integrate the functions of education, training, economic development and labor exchange into a unified coherent whole support demand driven labor market planning and coordinated service delivery systems. These systems may be implemented through a variety of organizational formats, but they characteristically share a common policy direction, clear goals and priorities and a strategic design for coordinating activities and services.

In the area of economic development, for instance, State Councils may insure that local programs include coordination agreements that address both job creation and job training activities. They can promote education reform by using special education set-aside funds to foster efficient use of educational resources, minimize duplicative efforts, and encourage the replication of successful training innovations.

New Federal Directions

Amendments to JTPA and to the Carl Perkins Vocational Education Act introduced to Congress in 1989 call for a further broadening of the role of State Councils as "Human Resource Investment Councils." This paper supports the new direction and specifically addresses how State Councils might use various federal programs to encourage better integration of resources, and promote coordination at all levels of the system.

EVOLUTION OF STATE COUNCILS

Phase One: Getting Started

State Councils have developed in several phases. In the transition years following the passage of JTPA, State Councils were primarily concerned with the administrative and management issues related to establishing the new job training system. Councils focused on establishing sub-state delivery areas, developing a governor's coordination and special services plan, setting policies for the use of various state set-aside funds, and helping establish the state performance standards policy including performance sanctions and incentives required by law.

During this period, State Councils were not highly visible entities in the total employment and training system development process. Much of the work ascribed to the State Councils during this phase was prescribed by federal statute, highly technical in nature and, for the most part, managed by professional staff of the state agencies responsible for administering job training programs.

Many State Councils focused their attention on becoming familiar with the state job training organizational structure and related program implementation and coordination issues. In most states, governors were responsible for state employment and training policy development and the level of involvement of the State Council depended directly on its (or its staff's) relationship to the chief state executive.

Phase Two: Identifying Needs and Assessing Resources

Once the system's operational framework was in place, State Councils next directed their attention to identifying specific employment and training and vocational needs throughout their states. Again, following the intent of the legislation, State Councils began examining employment and training, vocational education, rehabilitation services, public assistance, economic development, and other federal state and local programs and services. Some State Councils, at the request of

their governors and/or state legislatures, commissioned studies of all state agencies providing employment and training related services.

According to an informal National Commission for Employment Policy survey in 1988 of 30 State Councils: "In one state, the Council established a special task force to search out instances where state agencies were duplicating job training services and found 34 overlapping training programs." Using the results of their analyses, State Councils began providing comments and recommendations to the governor, the state legislature, and appropriate state agencies on the relevancy and effectiveness of employment and training and related service delivery systems in their states.

In other instances, State Councils chose a more incremental approach and focused on solving specific problems related to the employment and training delivery system structure. This approach included setting up committees to handle special concerns such as literacy, at-risk youth, dislocated workers, the fine tuning of performance standards, and coordination of functions among JTPA, the Employment Service, Welfare and Vocational Education agencies.

Two issues that evolved as a major concern of State Councils were:

1) how to better relate employment and training to the economic development process of states; and

2) how to improve the marketing and visibility of state employment and training efforts.

Phase Three: Shaping the Broader Policy Framework

In the strategic oversight and policy formation phase of development, State Councils have reflected a real commitment to the original charge of the JTPA authorizing legislation to "provide management guidance and review for *all* programs in the state and develop appropriate linkages with other programs."

The 1987 National Commission for Employment Policy report on JTPA found that: "Most State Councils have gone far beyond the early administrative concerns that prevailed during JTPA's initial start-up period. While all Councils may not exercise the same "clout" as other parts of the system at the state or local levels, most have become far more sophisticated and knowledgeable about programmatic and policy issues and are taking on new responsibilities with each passing year."

In 1988, Arthur Young Associates corroborated these findings in their review of State Council activities and indicated that 52% of all State Councils considered coordination their major policy initiative. State Councils foster coordination objectives by:

- providing review and comment on the coordination mechanisms presented in state and local agency plans and in the administrative arrangements employed by state and local agencies responsible for workforce development programs;

- identifying barriers to service integration and working to overcome them by such means as recommending coordination enhancement measures to the governor and, when appropriate, the state legislature;

- identifying exemplary practices and successful program models among state and local agencies that encourage collaboration; and

- recommending statutory or regulatory changes necessary for achieving a unified statewide vocational, occupational and job skills training program.

New Responsibilities

In 1988, Congress elected to expand the responsibilities of the Councils to include two new programs: the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) and the Job Opportunities and Basic Skills Training Program (JOBS). In doing so, Congress reflected its continued support for its original vision of State Councils as a mechanism to bring all programs in the state which have an impact upon the provision of employment and training services into a rational non-duplicative framework.

At the same time, Congress adjusted the balance of constituencies which make up the membership and composition of the State Councils. It was anticipated that this would increase the public visibility and build greater support for State Councils as the focus of state workforce development policies.

This same vision of the State Councils is contained in "Working Capital: JTPA Investments for the 90's, the Report of the JTPA Advisory Committee." Commissioned by the U.S. Department of Labor, The Advisory Committee report recommends that, "At the state level, the State Job Training Coordination Councils should be energized and expanded in scope to promote coherent inter-agency resource development strategies in keeping with each state's political and institutional context."

The Report further notes that, "It is the Advisory Committee's view that State Councils can be the 'genesis' for expanded entities (including Vocational Education, Welfare, and the Employment Service) charged with developing and implementing 'working capital policy' and a 'workforce investment system' in each state."

STATE JOB TRAINING COORDINATING COUNCIL ORGANIZATION

State Council Membership and Composition:

A number of principles guided Congressional deliberations on establishing the membership and composition of the State Councils. These principles included:

- private sector leadership of the State Council and a substantial segment (33%) of private sector members to insure a strong role for business; and
- broad representation of the important interests which affect the progress of employment and training interests in the state to insure a strong and balanced role for public agencies, labor, community organizations and the general public.

In 1988, Congress passed the Economic and Dislocated Worker Adjustment Assistance Act (EDWAA), which created new legislation governing dislocated worker programs under JTPA and reconstituted the membership of State Councils. The new composition broadened the non-business representation, and specifically increased requirements for labor and worker representatives on the State Councils. This new Act amended Title III of JTPA and required the following State Council membership:

- 30% representatives of business and industry, including business members of private industry councils;
- 30% representatives of the state legislature, state agencies and organizations and local goverment
- 30% representatives of organized labor and worker representatives and community-based organizations; and

- 10% representatives of the general public.

There was no change to the provision that the Chair be drawn from the private sector membership. Congressional deliberations, however, included a call for greater balance in the urban and rural representation on Councils and for more representation of the industries most likely to be affected by dislocation.

Organizational Structures of State Councils:

There is a great deal of diversity in the organizational make-up of State Councils. These structures have been most profoundly affected by the State Councils shift away from administrative and management concerns to a more direct policy and coordination role and by the designation of new responsibilities under the Economic Dislocation and Worker Adjustment Assistance Act. In many cases, the reconstitution of State Councils under the Economic Dislocation and Worker Adjustment Assistance Act significantly increased the total number of State Council members.

An informal survey of 30 State Councils conducted by the National Commission for Employment Policy in early 1988 indicated that:

Membership

- the average State Council has 30 members;
- membership of most State Councils conforms strictly to the requirements of JTPA;

Funding

- the average funding level for State Council activities was $203,000 (with a range of $4,500 to $875,000 reported);

Organizational Structures

- the average number of State Council meetings is five per year;
- the majority of State Councils consider administrative issues as well as policy issues; and

- the majority of State Councils were housed in the agencies identified as administering Wagner-Peyser Act (Public Employment Service) funds while others were housed in the state's economic development agency, a separate job training agency or in the governor's office.

Committees

Many Councils are operating through committees organized by functional responsibilities such as planning and oversight, policy development and coordination. Standing committees are often complemented by special issue task forces and ad hoc work groups whose membership often includes non-Council representatives such as private industry council chairs and staff, service providers and other state agency representatives. Committees have been reported to meet generally either bimonthly or quarterly, with some states reporting monthly committee meeting schedules.

A study commissioned by the National Commission for Employment Policy in 1985 indicated that:

Inter-agency Coordination

- Almost all State Councils reported working most closely with secondary education agencies (94%), followed by welfare agencies (79%), employment services (70%) and economic development (58%).

- The most effective coordination reported by State Councils was between the JTPA agency and the state agencies for employment service, education and welfare.

Staffing

- Most State Councils (72%) do not have a staff independent of the agency that administers JTPA. The majority of states pay State Council staff costs from JTPA administrative funds.

- The typical State Council is supported by 3.5 full time staff positions varying from a low of 1/2 person to 12 1/2 positions. State Council staff support is provided by regular state

JTPA staff in two thirds of the states, and by self-contained, staff units in another third.

- State Chairs reported in the 1988 National Commission for Employment Policy survey of 30 Councils that there were both positives and negatives to the different kinds of staffing structures. Having independent staff tended to eliminate turfism, while increasing fairness in response to a broad range of issues. Staff loyalty, strong support from dedicated professionals, and daily contact were other positives.

- On the other hand, additional costs, isolation of staff from daily line functions of state agencies, and limited authority were perceived negatives. States with staffs whose members were attached to state job training agencies felt they gained cost efficiency, and gained from the experience and knowledge of the staff about employment and training generally. They cited as a positive the fact that there were no management or personnel details to worry about, and that states with small grants for administration can have staff serve multiple functions.

  Negatives included the potential for conflict and lack of independence or overriding priorities of the state agencies loaning staff, lack of daily or weekly communication with the State Council, and limited flexibility in selecting staff to serve specific State Council needs.

STATE JOB TRAINING COORDINATING COUNCIL FUNCTIONS

State Councils are the major connecting link between federally legislated employment and training activities. Descriptions of State Council coordinating functions are contained in the 1982 amendments to the Wagner-Peyser Act; in references to JTPA coordination in the Carl Perkins Vocational Education Act of 1984; in the 1988 amendments to Title III of JTPA under the Economic Dislocation and Worker Adjustment Assistance Act; and in the JTPA coordination provisions contained in the Job Opportunities and Basic Skills Training Program of the 1988 Family Support Act.

While each piece of legislation referencing State Councils' coordinating functions was developed separately, certain principles of coordination appear to consistently promote systematic integration of workforce development activities into a unified policy framework. Within these pieces of legislation, State Council authority to promote integration of employment and training services includes:

- plan review and comment;
- assessment of compliance with state plan coordination criteria;
- consolidation of separate advisory group functions;
- provision of uniform statewide labor market data; and
- consultation on establishment of performance standards.

The level of influence a State Council has on the creation and support of a comprehensive workforce investment system may depend on how the Council is organized, where it is positioned in the state's

overall policy and planning structure, and its relationship with the governor. Examples of where State Councils are positioned in various states' organizational structures include:

- housing the State Council in the State Department of Labor;
- housing the Council and other employment related programs in the State Department of Economic Development;
- housing the State Council in the Office of the Governor; or
- creating a cabinet level body or permanent Commission to fulfill the functions of the State Council.

While states are given broad discretion in where they position the State Council in their overall planning and policymaking structure, it is clear that the federal government intended that State Councils should have a major impact on the states' ability to develop and maintain a productive, skilled workforce.

Joint Planning

In addition to the federally legislated roles, many governors have empowered State Councils to conduct joint planning processes and to develop comprehensive state coordination policies. State Councils are, by their very structure, well positioned to function as a catalyst for joint planning and, where necessary, for broad-based institutional reforms. Such reforms are often aimed at improving delivery of services in the following areas:

- Increased effectiveness - the public/private balance of State Council membership can help to lessen the isolation of business and government and encourage establishment of mutual and complementary goals and objectives.

- Minimized duplication - the State Council's central review of employment-related agency plans can reveal areas of duplication and provide opportunities to eliminate inefficiencies.

- Maximized use of resources - promotion of inter-agency collaboration by the State Council can result in a comprehensive sequence of services from a variety of agencies easily available locally for those individuals assessed as needing them.

The Governor's Plan

The governor's coordination and special services plan has been accorded the pivotal role in the planning of federally funded state employment and training service delivery. Related programs must provide assurances of compliance with the coordination criteria established in that document.

A Strategic Management Tool

The State Council's responsibility to develop the governor's special services plan provides them with a strategic opportunity to provide substantive policy and planning leadership which has a wide effect on the overall multi-agency delivery of services. In the absence of statewide employment and training policy, this plan can serve as a checkpoint for insuring that agency policies are consistent, not conflicting, and promote real collaboration while minimizing duplication. The major areas of the plan that can be shaped by the State Council and which are discussed further here are: goal setting, coordination criteria, resource allocation policies, and performance standards.

Goal Setting

Goals and objectives for job training programs in the state are outlined in the state plan. Ideally these goals and objectives are drawn from the state's comprehensive employment policy and are intended to guide localities in developing plans that are consistent with state policy. These goals might include:

- the state's intention to strengthen multi-agency and cooperative approaches by

planning all of the state's human resource development programs;

- a focus on strategies that utilize employment and training resources as an integral function of economic development;
- plans for improving the coordination and delivery of programs designed to meet the education, training and employment needs of welfare recipients so that welfare dependency can be reduced;
- targets for increasing retraining and upgrading opportunities for workers in existing industries; and
- emphasis on services to groups who face special barriers to employment, including groups such as handicapped workers, older workers, displaced homemakers, and other groups experiencing difficulties in entering the workforce.

Coordination Criteria

Criteria for state and local agencies to coordinate activities among education and training agencies (including vocational education), public assistance, employment services, rehabilitation, economic development and other related agencies can be included by the State Council in the governor's plan. These criteria should outline the steps that will be taken to implement the governor's workforce development initiatives. Such criteria might encompass:

- a concise analysis of the current economy and its emerging labor force needs;
- definitions of the necessary milestones for achievement of the governor's goals and objectives;
- a coordination strategy including steps to be taken by specific agencies to implement the governor's plan; and

- specific criteria that must be met for activities undertaken jointly between coordinating agencies' programs.

Resource Allocation Policies

State Councils can help shape policies governing the allocation of state and local resources, oversight (including audit procedures), financial incentives, and support to local employment and training agencies. For example, State Councils may wish to establish evaluations which include oversight of both SDA performance and audits and audit resolution processes.

In looking at ways to integrate their systems, states may wish to recommend co-locating local offices with related functions such as JTPA and the Employment Service to reduce administrative overhead and more efficiently service clients. Resource allocation policies can do much to strengthen this type of activity.

State policies for allocating set-aside funds can be designed to reinforce attainment of goals established in the coordinating plan. Incentive awards to local areas can also be designed to coincide with Council-established priorities.

In order for the governor's coordination and special services plan to be an effective strategic management tool, it must be viewed in a broader context than simply meeting the requirement of the Job Training Partnership Act. The plan must serve as a working document and be reviewed regularly for progress in achieving its stated coordination aims. The State Council can play a significant role in this area by regularly requesting feedback on achievements of milestones established in the governor's coordination criteria from responsible agencies.

State Councils can also regularly review budget requests and plans of coordinating agencies to ascertain whether resource allocation policies and funded activities are consistent with the coordination and special services plan.

Performance Standards

Performance standards are the other strategic management tool available to State Councils. The JTPA legislation and regulations specify important roles for the states in the peformance standards system. State Councils have the opportunity to directly influence and guide the employment and training system with performance standards by:

Setting Performance Goals

- Establishing procedures and policies regarding performance goals and incentives for JTPA and EDWAA. State Councils can clearly specify priorities in their goals for the system and develop incentive policies which reward local service delivery areas for achieving those priorities. For example, states placing a high priority on providing school dropouts with basic skills training can provide incentive awards for programs which successfully provide the necessary training or return drop-outs to full-time education.

Adopting State-Specific Performance Measures

- Assisting governors in specifying additional performance measures, choosing standards to be applied to local areas, recommending adjustment procedures for the federal standards, establishing policies to award incentive funds to service delivery areas with good performance, and sanctioning service delivery areas with poor performance.

- Providing advice and recommendations to the State Council on Vocational Education on the development of performance measures required by Section 113 (b) (9) of the Carl Perkins Vocational Education Act of 1984.

- Reviewing and advising the Employment Service on the incentive and performance standards policies included in the Wagner Peyser plan.

- Overseeing the integration of new programs. As new programs (e.g., JOBS and EDWAA) come on line with performance standards,

State Councils are in excellent position to oversee their integration into the comprehensive state policy framework.

Targeting the "Hard to Serve"

State Councils can also use performance standards as a tool to increase services for "hard-to-serve" groups by identifying special target groups (e.g., dropouts, welfare clients) as state priorities, establishing special standards for hard-to-serve groups to promote client focused state policies, and allocating incentive awards payments to local areas.

For example, State Councils which put a high priority on reductions in welfare dependency may adopt the federal welfare performance standards, create a governor's standard for targeted classes of welfare recipients, provide technical assistance to improve performance for this group of participants and provide significant incentive awards for service delivery areas achieving successful results for welfare recipients. A number of states have created thresholds for welfare recipient participation in JTPA and award incentives to those local areas which achieve the desired participation rate.

Consolidation of Advisory Functions

One of the most significant roles assigned to State Councils by Congress was the ability to assume functions of advisory councils serving other federal programs. Congress recognized that federal job training laws which have mandated both specific advisory committees and separate administrative structures have impeded the legitimate desires of the states to rationalize fragmented administrative structures.

Consolidation of various advisory groups would give the governor flexibility to organize administration in the state on the basis of economy and efficiency. Consolidation would also better enable State Councils to advise the governor on all aspects of job training, job information and job placement in the state. To date, few states have chosen to implement this aspect of the legislation.

Set Asides

A final strategic management tool available to State Councils is their control over set-aside funds.

State Councils can use the set asides to promote specific policies, target special population groups, encourage higher productivity from the system, and provide technical assistance and staff development. Special research and demonstrations that can improve the operational efficiency of the system can be implemented through the set-aside funds.

Incentive grant policies have also proven to be a powerful tool for affecting the quality of services, targeting hard-to-serve clientele, and encouraging efficient performance and innovation among service delivery areas under the set-aside concept.

Although there has been much debate about the usefulness of set-aside funds in promoting system change and/or innovation, the flexibility afforded by set asides provides a unique opportunity to explore creative methods for facilitating coordination among programs.

PART TWO STATE COUNCIL COORDINATION RESPONSIBILITIES

Public Employment Service

The initial model for services integration mandated by federal legislation was the JTPA amendments to the Wagner-Peyser Act governing the coordination of activities between JTPA and the employment service. Under these amendments, JTPA requires that applicable components of the local employment service plan be developed jointly with JTPA. The State Council must certify that the plan has been jointly agreed to by the employment service and appropriate private industry councils and chief elected officials and that local employment service plans are consistent with the governor's coordination and special services plan.

If the State Council does not certify that the local components of the plan meet these requirements, the plan must be returned to the employment service to consider the State Council's recommendations jointly with the private industry council and local elected officials. If local agreement cannot be reached on the joint plan, it must be submitted to the Secretary of Labor with the State Council's recommendations for resolving the differences. The State Council may also be instrumental in helping local private industry councils obtain information on the state employment service's activities, resource allocation process, program budget and performance measures that may be helpful to the joint planning process.

Beyond these roles, State Councils in some states have moved to recommend a full merger of planning and resource allocation functions between JTPA and the employment service. At the local level these merger options include joint marketing, co-location of offices, joint staffing, shared employer leads and placement credit, shared client intake, assessment and referral activities.

Since the employment service is a state-operated system, State Councils can play a strong role in promoting a highly efficient network of complementary, efficient and economical services in conjunction with JTPA. State Councils can sponsor cross training of staff and encourage a variety of state level administrative actions that facilitate coordination and cooperation between local employment service offices and JTPA service delivery areas. For example, the State Council may sponsor meetings between planners from both systems to develop unified planning instructions for activities to be jointly implemented at both the state and local levels.

Carl Perkins Vocational Education Act

The Carl D. Perkins Vocational Education Act of 1984 requires significant coordination between vocational education (voc-ed) and JTPA. State vocational education planning cycles coincide with the two-year periods established under JTPA. The vocational education plan must be made available to the State Council for review and comment 60 days prior to being sent to the Secretary of Education for approval. This opportunity for review and comment is the primary leverage point for State Councils to influence coordination between the two systems.

Some key methods to be considered by the State Council for improving coordination of employment and training with vocational education might specify that the voc-ed plan include specific goals to achieve some of the following results:

Creating Compatible Labor Market Data Sources

The voc-ed plan should insure that the projections of occupational skills needed in the state are generally comparable to the labor market information used for planning in the JTPA system. If not, the State Council should determine what resources are required to make those data bases more compatible.

Developing Coordination Goals

Integrating JTPA and vocational education goals is an important factor in the State Council's attempt to influence a consistent and cooperative approach to job training and economic development. The voc-ed plan should also include specific goals for coordination, including joint planning and information sharing with the JTPA system. Examples of goals which should be coordinated include those which target special populations such as displaced homemakers and the handicapped. These goals may focus on increasing the total numbers and types of jointly planned services available to those targeted populations.

Recommending Compatible Measures of Performance

State Councils have the opportunity to advise both systems on methods to resolve differences in program performance criteria which may create barriers to collaboration.

After the state's plan is reviewed, if issues raised by the State Council are not addressed in the final plan, the state board or agency responsible for vocational education must submit the Council's comments with the plan to the Secretary of Education. The Secretary must consider these comments from the State Council in reviewing the plan for approval.

Vocational education represents a large portion of available employment and training resources in most states. National studies indicate that there are many examples of close coordination between voc-ed and JTPA, particularly at the local level. Ongoing attention by State Councils to better coordination between vocational education and JTPA resources can insure further progress toward a comprehensive workforce development system.

Job Opportunities and Basic Skills Training Program

The Family Support Act of 1988 establishes a new course in federal welfare policy. The legislation places greater emphasis on developing the skills welfare recipients need for employment, rather than on the provision of cash assistance primarily for income maintanence.

The legislation requires each state to establish a Job Opportunities and Basic Skills Training Program (JOBS) to educate, train and employ welfare recipients. It encourages states to effectively coordinate federal and state JOBS program funds with existing education and training resources to provide a broad range of services to welfare clients.

Governors must assure that the JOBS program is coordinated with JTPA and any other relevant programs in the state. The state welfare agency must consult with the state education agency and the agency responsible for administering job training programs in order to promote coordinated service delivery. The state JOBS plan must be submitted to the State Council for review and comment before submission to the Secretary of Health and Human Services.

There is a strong basis for coordination between JTPA and the JOBS program since both share the goal of reducing welfare dependency and both serve significant numbers of welfare recipients. State Councils have the opportunity to insure a cost effective and well integrated local welfare reform implementation plan by specifying JTPA/JOBS coordination criteria in the governor's JTPA coordination and special services plan. The Family Support Act requires the state JOBS plan be consistent with such coordination criteria.

The State Council may recommend that the state welfare agency administer the JOBS program through direct arrangements with JTPA administrative entities. State Councils may also take an active role in providing labor market

information to state and local welfare agencies on jobs that exist or are likely to become available. They can convene key administrators and facilitate negotiation of clear roles for the state vocational education agency and the employment service in developing collaborative services with welfare and JTPA.

Minimizing Duplication and Overlapping Programs

State Councils have an important opportunity in the JOBS legislation to improve the relationship between JTPA and state welfare systems. They can make sure that the two systems work together to develop a comprehensive, high quality continuum of services and to insure that the new program results in a net increase in the numbers of welfare clients receiving job training and employment services. Some areas in which State Councils can monitor duplicative overlap between the two programs include:

- intake and eligibility determination
- client case management
- client assessment
- employability plan development
- program services (e.g., occupational skills training, on-the-job training)
- supportive services such as child care, transportation and emergency medical assistance
- employer outreach and placement services
- performance standards

In all of these above areas, State Councils should develop and conduct ongoing qualitative analysis to ascertain whether efficiencies are being achieved in program implementation and management, services provided, inter-agency coordination, staff training, and client satisfaction and participation.

Economic Dislocation and Worker Adjustment Assistance Act

The Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) which amended Title III of JTPA calls for an increased coordination role for State Councils in helping states respond to plant closings and permanent worker layoffs. The amendments to Title III of JTPA require State Councils to:

- Provide advice to the governor on the use of Title III funds, on the designation of substate delivery areas and substate grantees and on the procedures for selection of representatives within areas composed of multiple local elected officials or private industry councils.

- Provide advice to the governor on methods for allocating funds, and on policies for recapturing and reallocating unspent funds.

- Submit comments to the governor based on its review of state and substate programs operated under Title III.

- Review and submit written comments on the state plan (and any modifications to the plan) for Title III prior to its submission to the Secretary of Labor.

- Review and submit written comments on each substate plan submitted to the governor under Title III.

- Provide advice to the governor regarding performance standards for Title III.

In addition to these legislated roles under EDWAA, State Councils can have a strong voice in shaping the states' approaches to ameliorating the negative effects of plant closing. Councils can promote statewide marketing and technical assistance on the availability of dislocated worker services, and can set policies for coordinating the state's response to major plant closings. State Councils can also:

- recommend special demonstrations for worker retraining and reemployment;

- encourage and support labor management committee development efforts;

- ensure that the state plan and the substate plans include provisions for broad business involvement in program planning and oversight; and

- thoroughly assess the current system to establish the basis for recommending a comprehensive strategy utililizing Worker Adjustment and Retraining Notification (WARN), Unemployment Insurance, Trade Adjustment Assistance, Employment Service and other available resources to meet the challenge of economic transition.

At an even more proactive level, State Councils can recommend coordination of preventative strategies that are the result of establishing partnerships between economic development, state training and finance programs, labor, business, employment and training, education, community college and community-based organizations. These partnerships should be both in policy and planning and have a basis for being operationalized at the state and local levels.

To accomplish these partnerships, State Councils can recommend establishment of across the board incentives for collaboration among agencies and investigate methods of removing barriers to working together. Preventative strategies for which State Councils can recommend increased coordination include:

- state loan programs for local buy-outs of corporate subsidiaries;

- employee ownerships;

- tax incentives;

- retraining/upgrading programs;
- equipment financing; and
- state sponsored productivity improvement studies and feasibility studies for local ownership.

PART THREE ISSUES AND OPTIONS FOR DEVELOPING COMPREHENSIVE STATE WORKFORCE INVESTMENT STRATEGIES

Governors' Role

Although most of the previous sections have described the coordinating function of State Councils in the context of the Job Training Partnership Act and other federally funded programs, State Councils can have a much more far reaching impact on state workforce development policies.

As has been indicated previously, much of the direction and scope of State Council functions are dependent upon the goals and policy objectives of the state's chief executive. Governors are ultimately responsible for transforming policy recommendations and coordination plans into action.

There are a number of options available to governors to enhance the effectiveness of State Councils in the coordination of state training and employment service delivery. These options include both formal and informal executive actions, for example:

- Consolidate advisory functions. State Councils may need to be given highly visible and independent status in the state hierarchy to influence entrenched bureaucracies and semi-autonomous units of state governments. To achieve this, governors may assign the oversight responsibility for a number of state and federally funded programs to the State Council.

- Require State Council approval for submittal of agency plans to federal agencies. While many federal programs only require review and comment by the State Council, governors may make their own approvals contingent upon that of the State Council.

- Establish employment policy cabinet councils to interact regularly with the State Council. Governors may appoint cabinet members responsible for employment, training and economic development to an ad hoc committee to consult with the State Council on a formal or informal basis.

- Support state employment policy conferences, under the leadership of the State Council, to formulate multi-agency coordination and workforce development strategies.

Involving the State Legislature

It is a significant issue for State Councils to consider the impact various state legislated employment and training policies have on their attempts to develop a comprehensive, coordinated workforce development strategy, and to enlist the support of the legislature for their efforts. A handbook developed for state representatives by the National Conference of State Legislatures on job training indicates that in addition to nine states having comprehensive enabling legislation on JTPA, 12 state legislatures have developed statutory language on employment and training policy.

State Councils are by law authorized to provide recommendations to the state legislature on ways to improve the effectiveness of local job training, and on the relevancy and effectiveness of employment and training and related service delivery systems in the state. Councils can use this authority to involve state legislatures in clearing away legal and institutional barriers to coordination among employment and training agencies. They can also petition state legislatures to provide state revenues and policy support for coordination initiatives.

Efforts to elevate State Councils to a permanent position within the inter-governmental structure of employment and training require the direct involvement of state legislatures. All these efforts can be aided by the inclusion of key legislators on the State Council itself, or in the work of important Council task forces and committees.

The Economic Development Connection

Governors and state legislatures are most able to influence the integration of workforce development and economic development because a skilled workforce is a state's most important resource. This is an area where many states have created interdependent relationships between State Councils and state entities responsible for economic development.

Most states require written agreements detailing economic development coordination arrangements at the local level in the governor's coordination and special services plan. It is, however, gubernatorial leadership in forging economic strategies that determines whether the State Council will fulfill a concrete role lending its expertise to addressing issues related to economic growth and prosperity. Among the arrangements which governors may implement are:

- Combine industrial training packages for new or expanding industries. Most states have independent funds for customized training for industry, managed by the agency for economic development. Collaboration can expand funds available for industrial training and recruitment and provide increased employment opportunities for training participants.

- Target economic development activities to areas of economic distress and available training funds.

- Develop cooperative strategies for economic development. Governors can bring economic development and recruitment agencies together with employment and training as well as those agencies responsible for infrastructure necessary for economic growth to devise comprehensive economic development strategies.

- Promote direct relationships between economic development and the state

dislocated worker unit to market experienced workers, recruit replacement industry and to facilitate worker relocation from dislocated industries to new and expanding industry within the state.

Governors can determine what the relationship will be between workforce development and economic development efforts, and can insure that the necessary organizational mechanisms are in place to link state employment, training and economic development policies. State Councils can recommend a number of joint actions that can be undertaken between employment and training and economic development systems. These actions range from establishing inter-agency policy review committees to establishing mega-agencies to administer all of the state's employment and economic development programs.

State Councils can advocate coordination of general revenue-funded state skills training corporations and JTPA. They can sponsor joint information sharing activities between economic development and employment and training staff aimed at helping ensure that JTPA participants are given preference for placement in new jobs resulting from economic development activities. State legislatures can insure that adequate funds are appropriated to support these activities.

Key State Council Workforce Development Issues

The informal National Commission for Employment Policy poll of State Council Chairs in 1988 asked them to cite the most important issue facing their Councils at this time. The Commission reported that nearly all of the respondents cited a substantive policy issue or issues rather than an administrative one as their central concern. The exceptions were states where changes in administration had resulted in major membership turnover. Those states were again giving significant attention to the purely administrative concerns. In those instances, states were rethinking basic issues such as the governor's coordination and special services plan, performance

standards, incentive programs, and oversight procedures.

In states with fairly stable membership over the last few years, however, Council chairs reported the following critical policy concerns:

- developing and implementing a broad human resource policy for the state;
- coordinating related programs including economic development and education;
- implementing welfare reform;
- retraining dislocated workers;
- addressing problems of youth and the severely disadvantaged;
- increasing literacy rates;
- improving performance; and
- raising national awareness of the importance of investing in sound employment and training programs.

Organizational Issues Facing State Councils

As State Councils mature, the tasks which face them may require significant organizational restructuring to achieve broad workforce development goals. The scope of the State Council mission is such that more objectivity may be required than is available through affiliation with any specific federal or state program. More resources and enhanced staff capability may be needed to manage an inter-governmental advisory framework.

A lack of attention to these issues threatens the ability of State Councils to continue to evolve and function as the primary coordinating entity in the state. The following is an outline of some future State Council organizational issues and options for addressing them.

Independent staffing

State Councils may wish to have staff that are independent of any affiliation with a particular employment and training program or other related state agency. Council objectivity may be influenced positively by professional staff who can assume a broader perspective on coordination and services integration issues.

Permanent status

State legislation that permanently authorizes State Councils as the primary entity responsible for developing and overseeing coordinated workforce development systems can help State Councils to overcome the limitations of federal statutes and provide continuity across political cycles.

Funding

State Councils that undertake strategic planning roles aimed at coordinating systems, minimizing duplication, and increasing operating efficiencies of programs will need to be adequately funded to undertake necessary research and demonstration projects, and to adequately monitor progress toward implementation, particularly at the local level.

Strong business role

It is important that key business leaders, and particularly large employers in the state, have an active voice and are represented on State Councils. Strong business involvement can insure visibility and relevance for the State Council's work in its attempts to prepare workers for future employment demands and emerging technological trends.

Integration of other advisory council functions

In a fully integrated system, responsibility for policy guidance on coordination of all workforce development systems should be within the domain of State Councils. Governors and state legislatures have a variety of means available to them for consolidating advisory councils and their functions including creating cabinet level committees, or establishing State Councils as permanent commissions.

SUMMARY

State Councils have many roles to play in helping shape comprehensive state workforce development strategies. They can be instrumental forces in solving the problem of fragmentation that exists in many states among employment and training programs. State Councils can bring all significant parties to the table, can encourage public sector agencies to plan together, and can initiate broadened communication between the public and private sectors.

Whether State Councils become high level "commissions" or simply function as the best clearinghouse for coordination and collaboration among agencies with common missions and similar clients, they have a well defined challenge to assist states in better managing their workforce development resources. State Councils can bring focus and clarity to the state's workforce investment strategies and they can be effective sounding boards for local problems and concerns. They can be effective translators of those concerns to state and federal decision makers. State Councils can make quality workforce development more than a concept--*they can make it a reality.*

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APPENDIX — NAB CONTACTS FOR INFORMATION AND TECHNICAL ASSISTANCE

Headquarters

National Alliance of Business
1201 New York Ave., N.W., Suite 700
Washington, D.C. 20005
202/289-2888

Regional Service Offices

New England
Joseph Fischer
Regional Vice President
20 Walnut Street
Wellesley Hills, MA 02181
617/235-1332

Atlantic
Fred Radlmann
Regional Vice President
317 George Street
New Brunswick, NJ 08901
201/524-1110

Southeast
William Walker
Regional Vice President
100 Edgewood Avenue
Suite 1800
Atlanta, GA 30303
404/522-9350

Central
Henry McHenry
Regional Vice President
9400 North Central Expressway
Lock Box 167
Dallas, TX 75231
214/373-0854

Midwest
Vince Serritella
Regional Vice President
11 East Adams
Suite 1008
Chicago, IL 60603
312-341-9766

Western
Janet Keyes
Regional Vice President
350 Sansome Street
San Francisco, CA 94104
415/391-4061

Victor Munoz
Area Vice President
Los Angeles Satellite Office
900 Wilshire Boulevard
Suite 840
Los Angeles, CA 90017
213/488-9153

John House
Area Vice President
927 Skinner Building
Seattle, WA 98101
206/622-2531